



NADO LEGISLATIVE UPDATE

NOVEMBER 23, 2021

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ABOUT NADO

- The National Association of Development Organizations (NADO) advocates for the nation's network of hundreds of Regional Development Organizations (RDOs) across the country, and for the economic and community development programs they help implement
- NADO works closely with EDA and Economic Development Districts (EDDs), and with other federal partners and community development stakeholders

www.nado.org

Interested in becoming a NADO member?

Please contact Brittany Salazar at bsalazar@nado.org or Krystal De Leon at kdeleon@nado.org

IIJA INFRASTRUCTURE BILL BECOMES LAW

- The [Infrastructure Investment and Jobs Act \(IIJA\)](#) was signed into law on Monday November 15, 2021
- The IIJA is a \$1.2 trillion bipartisan infrastructure bill which reauthorizes surface transportation programs
- Authorizes \$550 billion in new spending – all modes of transportation infrastructure; water; broadband infrastructure
- The IIJA includes:
- Historic funding levels for **Regional Commissions**, including:
 - \$1 billion for the Appalachian Regional Commission (over five years)
 - \$150 million for the Delta Regional Authority
 - \$150 million for the Northern Border Regional Commission
 - \$75 million for the Denali Commission; \$5 million for Southeast Crescent Regional Commission
 - \$1.2 million for the Southwest Border Regional Commission
- A more than **30% increase in Metropolitan Planning (PL)** funds
- \$65 billion for **broadband**, including \$42 billion for a broadband program to be administered by NTIA

IIJA RESOURCES

- Bill text: [*Infrastructure Investment and Jobs Act \(IIJA\)*](#)
- White House Fact Sheet: <https://www.whitehouse.gov/briefing-room/statements-releases/2021/08/02/updated-fact-sheet-bipartisan-infrastructure-investment-and-jobs-act/>
- NACO overview: <https://www.naco.org/resources/legislative-analysis-counties-infrastructure-investment-jobs-act>
- NARC overview: <https://narc.org/wp-content/uploads/2021/09/Bipartisan-IIJA-Analysis.pdf>

NEGOTIATIONS CONTINUE ON BUILD BACK BETTER (BBB)

- Now that the bipartisan IIJA legislation has passed, Congressional negotiations are focused on the partisan \$1.75 trillion [Build Back Better \(BBB\)](#) infrastructure reconciliation bill, the ultimate passage of which remains uncertain.
- The House version of BBB proposes:
 - **\$5 billion in funding for EDA** - including funding for planning, project pre-development, technical assistance, and capacity building.
 - **\$3.5 billion for USDA Rural Partnership Program** – including funding for rural development, pre-development, and operating expenses
- House passed on November 19, 2021
- The chances of ultimate passage and enactment of BBB remain uncertain

EDA FUNDING IN BBB – HOUSE VERSION

- **\$3.3 billion for EDA “Regional Economic Growth Clusters”**
 - “to develop regional economic growth clusters, including grants for technical assistance, **planning**, and **pre-development** activities”
- **\$1.2 billion for Recompete Pilot Program**
 - “an eligible recipient shall submit a comprehensive 10-year economic development plan”
 - “long-term comprehensive economic development and job creation in persistently distressed local labor markets”
- **\$240 million for Energy and Industrial Transition Communities**
 - “including grants for technical assistance, **planning**, and **pre-development** activities, to energy and industrial transition communities, including oil, gas, coal, nuclear, and biomass transition communities, and manufacturing transition communities.
- **\$240 million for Economic Adjust Assistance, Project Predevelopment, and Capacity Building**
 - “to provide grants for technical assistance, **project pre-development**, and capacity building activities, including activities relating to the **writing of grant applications**, and stipends to local community organizations for planning participation and community outreach”

USDA RURAL PARTNERSHIP PROGRAM BBB HOUSE VERSION

- **USDA Rural Partnership Program (proposed)**
 - **Rural Prosperity Development Grants - \$873 million**
 - *“To provide grants to support rural development”*
 - *Eligible applicants include:*
 - *(I) Units of local government*
 - *(II) Tribal government*
 - *(III) An authority, agency, or instrumentality of an entity described in subclauses I or II*

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(A) Conducting comprehensive rural development and pre-development activities and planning.

(B) Supporting organizational operating expenses relating to the rural development activities for which the grant was provided.

(C) Implementing planned rural development activities and projects.

NADO & DDAA

ARC LDD ADMIN ADVOCACY PROGRESS

FY 22 ARC LDD Admin - Advocacy Progress

\$8 million for LDD admin (an increase from \$6.2 million) was included in the FY 2022 House appropriations bill, and in the President's budget.

However, Congress is behind on the appropriations process, and it's possible there will be a full-year Continuing Resolution (CR), which would prevent this level from being enacted. In which case, NADO will pivot to FY 2023 advocacy.

Currently, the government is funded via a temporary CR that expires on December 3.

TITLE IV—INDEPENDENT AGENCIES	
APPALACHIAN REGIONAL COMMISSION	
Appropriation, 2021	\$180,000,000
Budget estimate, 2022	235,000,000
Recommended, 2022	210,000,000
Comparison:	
Appropriation, 2021	+30,000,000
Budget estimate, 2022	-25,000,000

The Appalachian Regional Commission (ARC) is a regional economic development agency established in 1965 by the Appalachian Regional Development Act (Public Law 89-4). It is composed of the governors of the 13 Appalachian states and a federal co-chair appointed by the President. Each year, the ARC provides funding for several hundred projects in the Appalachian Region in areas such as business development, education and job training, telecommunications, infrastructure, community development, housing, and transportation.

The recommendation includes \$8,000,000 for Local Development Districts.

EDA REAUTHORIZATION HEARING



- On November 3, NADO member Shane Whitehair, Executive Director of Region VII Planning and Development Council in West Virginia, **testified before the Senate** on the topic of **EDA reauthorization**
- A recording of the hearing is available [here](#)

NADO EDA REAUTHORIZATION PRIORITIES

- 1. Increase **EDA Partnership Planning grants** to \$80 million annually
(goal: ~\$200,000 per EDD; current funding level: ~\$70,000 per EDD)
- 2. Increase federal share to 90%, and **reduce local match to 10%**, for EDA Partnership Planning grants
- 3. Create a **rural-only competition** which excludes urban applicants
- Authorize a **pre-development funding** category to support early-stage project development activities
- 5. Overhaul EDA's existing **economic distress formula**
- 6. Dedicate **20%** of EDA's overall annual budget to EDDs

FY 2022 APPROPRIATIONS

- Congress passed a continuing resolution (CR) at the end of September to avert a government shutdown and keep the federal government funded through **December 3, 2021**
- Beyond December 3, Congress will likely need to adopt another short-term CR; current discussions are centered on the possibility of another stopgap spanning until just before the December holidays
- Chances of a full-year CR are becoming increasingly likely
- Meanwhile, a separate but related issue is that according to projections, Congress has until roughly mid-December to raise the national borrowing limit (debt ceiling) in order to avoid a default on the national debt



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AMERICAN RESCUE PLAN ACT HIGHLIGHTS

[The American Rescue Plan Act \(P.L. 117-2\)](#) includes:

- **\$3 billion** for the U.S. Department of Commerce Economic Development Administration (EDA)
- **\$350 billion** for the Coronavirus State and Local Fiscal Recovery Funds Program
- \$7.25 billion for the SBA Paycheck Protection Program (PPP)
- \$15 billion for Economic Injury Disaster Loans (EIDL)
- \$1400 direct stimulus checks for eligible individual taxpayers
- \$300 weekly federal unemployment benefits through September 6, 2021
- And many other provisions


Sources and Useful Reference Materials:

- [American Rescue Plan Section-by-Section Summary - Senate Democrats](#)
- [National Conference of State Legislatures \(NCSL\) Overview](#)

EDA ARPA NOFO RELEASED JULY 22

- On Thursday July 22, EDA released the [Notice of Funding Opportunities](#) (NOFOs) that will guide the administration of the \$3 billion in supplemental funding the EDA received through the American Rescue Plan
- Six NOFOs and a collection of programs that EDA is collectively referred to as the *Investing in America's Communities* initiative:
 - \$1 billion for the [Build Back Better Regional Challenge](#)
 - \$500 million for the [Good Jobs Challenge](#)
 - \$500 million for [Economic Adjustment Assistance](#)
 - \$100 million for [Indigenous Communities](#)
 - \$750 million for [Travel, Tourism, and Outdoor Recreation](#)
 - \$90 million for [Statewide Planning, Research, and Networks](#)
- EDA is also making a [Coal Communities Commitment](#), allocating \$300 million for this priority



	NOFOS								
	STATEWIDE PLANNING, RESEARCH & NETWORKS \$90M		BUILD BACK BETTER REGIONAL CHALLENGE \$1B		TRAVEL, TOURISM & OUTDOOR RECREATION \$750M		ECONOMIC ADJUSTMENT ASSISTANCE \$500M	INDIGENOUS COMMUNITIES \$100M	GOOD JOBS CHALLENGE \$500M
GOAL	EDA is supporting states in planning efforts, investing in research that assesses the effectiveness of EDA's programs, and supporting stakeholder communities around key EDA initiatives.		This Challenge is designed to assist communities nationwide in their efforts to build back better by accelerating the economic recovery from the coronavirus pandemic and building local economies that will be resilient to future economic shocks. <i>\$100M for Coal Communities</i>		Through state and competitive grant programs, EDA is focused on accelerating the recovery of communities that rely on the travel, tourism and outdoor recreation sectors, which were hard-hit by the pandemic.		This program will help hundreds of communities across the nation plan, build, innovate, and put people back to work through construction or non-construction projects designed to meet local needs. <i>\$200M for Coal Communities</i>	EDA is allocating \$100 million in American Rescue Plan funding specifically for Indigenous communities, which were disproportionately impacted by the pandemic.	This Challenge aims to get Americans back to work by building and strengthening regional systems and sectoral partnerships to train workers with in-demand skills that lead to good-paying jobs.
SPLIT	Planning: \$59M	Research & Networks: \$31M	Phase 1: <\$500k each	Phase 2: \$25-75M, up to \$100M	State grants: \$510M	Competitive: \$240M			
APPLICANTS	State or designated entity	National research & TA providers	All EDA eligibles	Phase 1 finalists	State or designated entity	All EDA eligibles	All EDA eligibles	Tribes and organizations serving Native Hawaiians and Pacific Islanders.	All EDA eligibles
APPLICATION PROCESS	By invitation	Rolling	National competition	National competition	State grants allocation	Rolling	Rolling	Rolling	National competition
APPLICATION DEADLINE	 STATE PLANNING GRANTS Application due 60 days after receiving invitation RESEARCH AND NETWORKS GRANTS Suggested application submission date: October 31, 2021		Phase 1 deadline: October 19, 2021 Phase 2 deadline: March 15, 2022		STATE TOURISM GRANTS Application due 60 days after receiving invitation COMPETITIVE TOURISM GRANTS Suggested application submission date: March 15, 2022		Suggested application submission date: March 15, 2022	Suggested application submission date: March 15, 2022	Application deadline: January 26, 2022

AMERICAN RESCUE PLAN ACT (ARPA) STATE AND LOCAL RELIEF FUNDING

- [The American Rescue Plan Act](#) includes more than **\$350 billion** for state, local tribal, and territorial support
 - Allowable uses of state and local relief funding as described in legislation:
 - *Subtitle M: Coronavirus State and Local Fiscal Recovery Funds*
 - **SEC. 603. CORONAVIRUS LOCAL FISCAL RECOVERY FUND.**
 - “(1) **USE OF FUNDS**.—Subject to paragraph (2), and except as provided in paragraph (3), a State, territory, or Tribal government shall only use the funds provided under a payment made under this section, or transferred pursuant to section 603(c)(4), to cover costs incurred by the State, territory, or Tribal government, **by December 31, 2024**—
 - “**(A)** to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
 - “**(B)** to respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers of the State, territory, or Tribal government that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;
 - “**(C)** for the provision of government services to the extent of the reduction in revenue of such State, territory, or Tribal government due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year of the State, territory, or Tribal government prior to the emergency; or
 - “**(D)** to make necessary investments in water, sewer, or broadband infrastructure.

ARPA STATE/LOCAL FUNDING LINKS

- **U.S. Treasury Department Guidance - Coronavirus State and Local Relief Fund Resources:**
 - Full details – **interim final rule:** <https://home.treasury.gov/system/files/136/FRF-Interim-Final-Rule.pdf>
- **Additional Treasury Resources:**
 - Main page: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>
 - Fact sheet: <https://home.treasury.gov/system/files/136/SLFRP-Fact-Sheet-FINAL1-508A.pdf>
 - FAQs: <https://home.treasury.gov/system/files/136/SLFRPFAQ.pdf> - check back for frequent updates
 - Non-entitlement FAQs: <https://home.treasury.gov/system/files/136/NEU-FAQs.pdf> - check back for frequent updates
 - Reference guide: <https://home.treasury.gov/system/files/136/SLFRP-Quick-Reference-Guide-FINAL-508a.pdf>
 - Allocations for counties: https://home.treasury.gov/system/files/136/fiscalrecoveryfunds_countyfunding_2021.05.10-1a-508A.pdf
 - Allocations for metropolitan cities: <https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-metrocitiesfunding1-508A.pdf>

ARPA STATE/LOCAL FUNDING LINKS

■ **Non-Entitlement Units (NEU) Guidance:**

- Additional treasury guidance to assist states with their distribution of funds to “non-entitlement units of local government” (NEUs), which are local governments typically serving a population under 50,000, can be found here:
- General NEU guidance page: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-fund/non-entitlement-units>
- NEU distribution information: <https://home.treasury.gov/system/files/136/Status-State-NEU-Distribution.pdf>
- Eligible NEUs list: <https://home.treasury.gov/system/files/136/ERA-List-of-Eligible-Local-Governments-Final.pdf>
- Non-entitlement units FAQs: <https://home.treasury.gov/system/files/136/NEU-FAQs.pdf> - check frequently for new updates

ARPA STATE/LOCAL FISCAL RECOVERY FUND ELIGIBLE USES

Eligible Uses

A. Public health and economic impacts [\(interim rule page 10\)](#)

1. Responding to COVID-19 (page 12; eligible uses begin on page 17)

COVID-19 Mitigation and Prevention (page 18) – **testing, contact tracing**, support for individuals in isolation or quarantine, enforcement of public health orders, public communication efforts, public health surveillance, **enhancement to health care capacity** through alternative care facilities, enhancement of public health data systems, capital investments in public facilities to meet pandemic operational needs

Behavioral Health Care (page 19) – **mental health** services, behavioral health services, **substance use** mitigation, crisis intervention

Public Health and Safety Staff (page 20) – funds may be used for **payroll and covered benefits** expenses for **public safety, health care, human services, and similar employees**, to the extent that their services are devoted to mitigating or responding to the COVID-19 emergency. For administrative convenience, the recipient may consider public health and safety employees to be entirely devoted to mitigating or responding to the public health emergency, and therefore fully covered, if the employee or their division is primarily dedicated to responding to the COVID-19 public health emergency

Expenses to Improve the Design and Execution of Public Health Programs (page 21) – funds may be used for planning and analysis to improve programs addressing the COVID-19 pandemic, impact evaluations, and data analysis

2. Responding to Negative Economic Impacts (page 23; eligible uses begin on page 30)

Assistance to Unemployed Workers (page 32) – **job training** to accelerate rehiring of unemployed workers (including workers who were already unemployed when the pandemic began)

Assistance to Households (page 33) – **food assistance; rent, mortgage, or utility assistance**; counseling and legal aid to prevent eviction or homelessness; cash assistance; internet access or digital literacy assistance; cash transfer programs

Expenses to Improve Efficacy of Economic Relief Programs (page 34) – improve efficacy of state and local programs addressing negative economic impacts, including through data analysis, targeted consumer outreach, improvements to data or technology infrastructure, and impact evaluations

Small Businesses and Non-profits (page 34) – provide **loans or grants** to **small businesses and nonprofits**

Rehiring State, Local, and Tribal Government Staff (page 35) – **rehiring public sector staff**, up to the pre-pandemic staffing level of the government

Aid to Impacted Industries (page 36) – speed the recovery of impacted industries such as **travel, tourism, and hospitality** services

ARPA STATE/LOCAL FISCAL RECOVERY FUND ELIGIBLE USES

Eligible Uses

B. Premium Pay for Essential Workers (page 45)

■ Such workers include:

- Staff at nursing homes, hospitals, and home care settings;
- Workers at farms, food production facilities, grocery stores, and restaurants;
- Janitors and sanitation workers;
- Truck drivers, transit staff, and warehouse workers;
- Public health and safety staff;
- Childcare workers, educators, and other school staff; and
- Social service and human services staff.

- Funds may be used to provide premium pay to **essential workers**, both directly and through grants to third-party employers (page 45)
- “To ensure that premium pay is **targeted** to workers that faced or face **heightened risks** due to the character of their work, the Interim Final Rule defines essential work as work involving regular **in-person interactions** or regular physical handling of items that were also handled by others” (page 47)
- “Many of the workers performing critical essential services are low- or moderate- income workers....the ARPA recognizes this by defining premium pay to mean an **amount up to \$13 per hour in addition to wages or remuneration the worker otherwise receives** and in an aggregate amount **not to exceed \$25,000** per eligible worker” (page 48)
- “If premium pay would increase a worker’s total pay **above 150 percent** of their residing state’s average annual wage for all occupations, as defined by the Bureau of Labor Statistics’ Occupational Employment and Wage Statistics, or their residing county’s average annual wage, as defined by the Bureau of Labor Statistics’ Occupational Employment and Wage Statistics, whichever is higher, on an annual basis, the State, local, or Tribal government must provide Treasury and make publicly available, whether for themselves or on behalf of a grantee, a **written justification** of how the premium pay or grant is responsive to workers performing essential worker during the public health emergency” (page 49)

ARPA STATE/LOCAL FISCAL RECOVERY FUND ELIGIBLE USES

Eligible Uses

C. Revenue Loss (page 51)

- Funds may be used for the provision of government services to the extent of the reduction in revenue experienced due to the COVID-19 public health emergency (page 51)
- Public sector revenue loss is calculated relative to the expected trend, beginning with the last full fiscal year (pre-pandemic) and adjusted annually for growth
- Recipients may recalculate revenue loss at multiple points during the program, recognizing that revenue loss may occur with a lag
- Once revenue loss is identified, recipients have broad latitude to use funds to support government services
- The interim final rule establishes a methodology that each recipient should use to calculate its reduction in revenue

Helpful video on this topic from the National Association of Counties linked below:

<https://www.naco.org/events/understanding-eligible-expenses-fiscal-recovery-fund-revenue-loss>

ARPA STATE/LOCAL FISCAL RECOVERY FUND ELIGIBLE USES

Eligible Uses

D. Water, Sewer, and Broadband (page 62)

1. Water and sewer: (page 63)

Recipients may use funds to invest in a broad range of projects that improve drinking water, such as building or upgrading facilities and transmission, distribution, and storage systems, including replacement of lead service lines (page 67)

Eligible uses align with Environmental Protection Agency project categories for the [Clean Water State Revolving Fund and Drinking Water State Revolving Fund](#) (page 63)

2. Broadband: (page 69)

Eligible investments in broadband are those that are designed to provide services meeting adequate speeds and are provided to unserved and underserved households and businesses (page 71)

Focus on households and businesses without a wireline connection capable of reliably delivering 25 Mbps download / 3 Mbps upload

Fund projects that deliver reliable, high-quality service (minimum 100 Mbps download / 100 Mbps upload speeds unless impracticable)

“Under the Interim Final Rule, eligible projects are expected to be designed to deliver, upon project completion, service that reliably meets or exceeds symmetrical upload and download speeds of **100 Mbps**. There may be instances in which it would not be practicable for a project to deliver such service speeds because of the geography, topography, or excessive costs associated with such a project. In these instances, the affected project would be expected to be designed to deliver, upon project completion, service that reliably meets or exceeds **100 Mbps download** and between at least **20 Mbps and 100 Mbps upload** speeds and be scalable to a minimum of 100 Mbps symmetrical for download and upload speeds” (page 71)

Information from National League of Cities about recently updated Treasury FAQ broadband eligibility guidance: <https://www.nlc.org/article/2021/06/18/treasury-expands-broadband-eligibility-for-arpa-in-a-win-for-cities/>

ARPA CORONAVIRUS FISCAL RECOVERY FUND TIMELINE

Timeline

- July 16, 2021 – comment period closed for Treasury Interim Final Rule
- August 31, 2021 – interim report deadline
- October 31, 2021 – project and expenditure report deadline
- December 31, 2024 – funds must be obligated (not incurred or spent)
- December 31, 2026 – funds must be expended

Table 2: Reporting requirements by recipient type

Recipient	Interim Report	Project and Expenditure Report	Recovery Plan Performance Report
States, U.S. territories, metropolitan cities and counties with a population that exceeds 250,000 residents	By August 31, 2021, with expenditures by category	By October 31, 2021, and then 30 days after the end of each quarter thereafter ⁹	By August 31, 2021, and annually thereafter by July 31 ¹⁰
Metropolitan cities and counties with a population below 250,000 residents which received more than \$5 million in SLFRF funding			Not required
Tribal Governments		By October 31, 2021, and then annually thereafter ¹¹	
Metropolitan cities and counties with a population below 250,000 residents which received less than \$5 million in SLFRF funding			
NEUs	Not required		

TRANSFER OF FUNDS

- **U.S. Treasury Department Guidance - Coronavirus State and Local Relief Fund Resources:**
 - Full details – **interim final rule:** <https://home.treasury.gov/system/files/136/FRF-Interim-Final-Rule.pdf>
- Notable language on “special purpose districts” and “special purpose units of state or local government”
 - Page 105:

VI. Transfer

The statute authorizes State, territorial, and Tribal governments; counties; metropolitan cities; and nonentitlement units of local government (counties, metropolitan cities, and nonentitlement units of local government are collectively referred to as “local governments”) to transfer amounts paid from the Fiscal Recovery Funds to a number of specified entities. By permitting these transfers, Congress recognized the importance of providing flexibility to governments seeking to achieve the greatest impact with their funds, including by working with other levels or units of government or private entities to assist recipient governments in carrying out their programs. This includes **special-purpose districts that perform specific functions in the community**, such as fire, water, sewer, or mosquito abatement districts.

Specifically, under section 602(c)(3), a State, territory, or Tribal government may transfer funds to a “private nonprofit organization . . . a Tribal organization . . . a public benefit corporation involved in the transportation of passengers or cargo, or a **special-purpose unit of State or local government.**”¹⁸⁰ Similarly, section 603(c)(3) authorizes a local government to transfer funds to the same entities (other than Tribal organizations).

The Interim Final Rule clarifies that the lists of transferees in Sections 602(c)(3) and 603(c)(3) are not exclusive. The Interim Final Rule permits State, territorial, and Tribal governments to transfer Fiscal Recovery Funds to **other constituent units of government or private entities beyond those specified in the statute.** Similarly, local governments are authorized to transfer Fiscal Recovery Funds to other constituent units of government (e.g., a county is able to transfer Fiscal Recovery Funds to a city, town, or school district within it) or to private entities. This approach is intended to help provide funding to local governments with needs that may exceed the allocation provided under the statutory formula.

AMERICAN RESCUE PLAN ACT STATE AND LOCAL RELIEF FUNDING


Additional Resources: Coronavirus State and Local Relief Fund Information

Webinar Recordings:

- [National League of Cities Treasury Guidance Webinar #1 - Coronavirus State and Local Fiscal Recovery Fund](#)
- [NLC Guidance Webinar #2 - Coronavirus State and Local Fiscal Recovery Fund](#)
- [NLC ARPA Fiscal Recovery Fund Reporting Requirements Webinar Recording](#)

Email to contact Department of Treasury with questions about the Coronavirus State and Local Relief Fund:

- slfrp@treasury.gov



Other Notable Legislative Updates

As of November 2021

FY 2022 APPROPRIATIONS FOR EDA

- A [detailed version of the President's budget](#) was released Friday May 27, 2021. The President's budget recommended \$382.5 million for U.S. Economic Development Administration for FY22 Economic Development Assistance Programs. If enacted, this would be: a nearly \$80 million increase over FY 2021 levels. The House recommended the same level.
- The President's budget also recommended increasing EDA planning grants to \$37 million, an increase of \$3.5 million above FY 2021 levels.
- The House-passed FY22 approps bill includes \$36 million for EDA planning grants (a \$2.5 million increase). The Senate CJS Approps Committee recommended \$36.5 million for EDA planning grants (a \$3 million increase).
- Negotiations on FY22 approps continue; Congress has until December 3 to finish the appropriations process

U.S. ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) Final FY 2021 Appropriation (in millions)

Budget figures are in millions	FY2018 Final	FY2019 Final	FY2020 Final	FY2021 House	FY2021 Senate	FY2021 Final	President's Budget FY2022	House FY2022	Senate FY22 CJS Committee
Economic Development Administration Overall Total	\$301.5	\$304	\$333	\$356	\$340	\$346	\$433.1	\$433.1	\$395
Total – Economic Development Assistance Programs	\$262.5	\$265	\$292.5	\$314	\$299	\$305.5	\$382.5	\$382.5	\$345
Partnership Planning	\$33	\$33	\$33	\$33	\$33.5	\$33.5	\$37	\$36	\$36.5
Public Works	\$117.5	\$117.5	\$118.5	\$122	\$118.5	\$119.5	\$124	\$124	\$124
Economic Adjustment Assistance	\$37	\$37	\$37	\$40	\$37	\$37.5	\$49	\$42.5	\$40
Technical Assistance	\$9.5	\$9.5	\$9.5	\$9.5	\$10	\$10	\$14	\$14	\$19
Research and Evaluation	\$1.5	\$1.5	\$1.5	\$1.5	\$1.5	\$1.5	\$2	\$2	\$2.5
Trade Adjustment Assistance	\$13	\$13	\$13	\$13.5	\$13	\$13.5	\$13	\$13.5	\$13
Regional Innovation Program Grants	\$21	\$23.5	\$33	\$35	\$38.5	\$38	\$45	\$50	\$50
Assistance to Coal Mining Communities	\$30	\$30	\$30	\$37	\$30	\$33.5	\$81	\$80.5	\$55 combined for both nuclear and coal
Assistance to Nuclear Closure Communities	-	-	\$15	\$18	\$15	\$16.5	\$10	\$10	
STEM Apprenticeship Pilot Program	-	-	\$2	\$4.5	\$2	\$2	\$10	\$10	\$5
Salaries and Expenses	\$39	\$39	\$40.5	\$42	\$41	\$40.5	\$50.6	\$50.6	\$50

EDA ASSISTANT SECRETARY CONFIRMED

EDA Assistant Secretary Nominee Alejandra Castillo Confirmed



Alejandra Y. Castillo is a committed public servant with expertise in the fields of public policy, legislation, regulation and federal programs. She is an accomplished leader who has served with distinction in the public, private, and nonprofit sectors where she advocated for economic development and job creation. Castillo is the immediate past CEO of YWCA USA, where she led the 163-year-old organization and its 204 associations serving over 2.3 million women and families across 1300 communities in the United States.

With more than two decades of professional experience in Washington D.C., Castillo has served in senior leadership roles in two previous presidential administrations with a specific focus on international trade, minority entrepreneurship and economic development. In 2014, she was appointed by the Obama Administration to serve as national director of the Minority Business Development Agency, becoming the first Hispanic American woman to lead the agency. In that role, she helped secure financing and capital in excess of \$19 billion and created or retained more than 33,000 jobs. Castillo is an active member in various civic and professional organizations, and she currently serves on several national nonprofit boards. She considers herself an embodiment of the American Dream, and she is committed to expanding opportunities for all Americans. On a personal note, she is also proud to have raised two amazing nieces who she calls her daughters.

Castillo holds a Bachelor of Arts in Economics and Political Science from the State University of New York at Stony Brook; a Master's in Public Policy from the Lyndon Baines Johnson School of Public Affairs, University of Texas at Austin; and a Juris Doctorate from American University, Washington College of Law.

GOOD NEWS: NO CHANGE TO OMB MSA DEFINITION

- An [OMB Federal Register Notice](#) published on January 19, 2021 requested public comment on a proposal to change the definition of a **Metropolitan Statistical Area (MSA)**
- The notice proposed changing the MSA population definition **from 50,000 to 100,000** minimum.
- **NADO submitted comments** in response to the Federal Register Notice **opposing this change.**
- Fortunately, OMB recently announced that they will maintain the minimum urban area population needed to qualify as an MSA at the current threshold level for 50,000. OMB will **NOT** raise the threshold.

NADO IS MONITORING: CENSUS URBAN AREAS PROPOSED CHANGE

- Another recently published [Federal Register Notice](#) requests comment on the **Census Bureau's** proposed criteria on **Urban Areas** (notice published in February 19 Federal Register)
- The proposed change is a shift away from the “Urbanized Area” population-based definition (50,000+) and a shift toward a housing unit density-based definition
- Potential implications of this notice:
 - Much like the OMB MSA issue, this proposed change could also have *potential* wide-reaching impacts, and NADO will be keeping a close watch on this issue as well
 - USDOT definitions of MPO/RPO/RTPOs would likely **NOT be affected** by the Census proposal (this is because the number “50,000” is explicitly written in statute as the basis for MPO/RPO/RTPO definitions.
 - However, this is something NADO is keeping a close watch on, especially with FAST Act (surface transportation) reauthorization on the horizon
- NADO submitted comments and is monitoring this issue closely